

## Message Text

UNCLASSIFIED

PAGE 01 PORT O 02044 231730Z

70

ACTION ARA-20

INFO OCT-01 EUR-25 ISO-00 SP-03 AID-20 EB-11 NSC-07 RSC-01

CIEP-03 TRSE-00 SS-20 STR-08 OMB-01 CEA-02 CIAE-00

COME-00 FRB-03 INR-11 NSAE-00 XMB-07 OPIC-12 LAB-06

SIL-01 L-03 PRS-01 USIA-15 H-03 PA-04 DRC-01 /189 W

----- 038710

R 231622Z AUG 74

FM AMEMBASSY PORT OF SPAIN

TO SECSTATE WASHDC 6799

INFO AMEMBASSY BRIDGETOWN

AMEMBASSY CARACAS

AMEMBASSY GEORGETOWN

AMEMBASSY KINGSTON

AMEMBASSY LONDON

AMEMBASSY THE HAGUE

AMEMBASSY VIENNA

UNCLAS PORT OF SPAIN 2044

E.O. 11652: N/A

TAGS: ENRG TD

SUBJECT: GOTT TO PAY \$45 MILLION FOR SHELL HOLDINGS

REF: POS 1069; POS 1226

1. IN A PUBLIC ANNOUNCEMENT AUGUST 22, PRIME MINISTER DR. ERIC WILLIAMS SAID THAT HIS GOVERNMENT WILL PAY TT\$93.6 MILLION (ABOUT \$45 MILLION) TO PURCHASE SHELL'S PRODUCING, REFINING AND DISTRIBUTION NETWORK IN TRINIDAD. 75 PERCENT OF THIS SUM WILL BE PAID ON AUGUST 30, 1974 (THE DAY ON WHICH THE PROPERTIES WILL PASS TO GOTT CONTROL); AND THE REMAINDER WILL BE PAID IN TWO EQUAL SHARES ON FEBRUARY 28, 1975 AND AUGUST 31, 1975. THE PROPERTIES WILL BE OPERATED BY A NEW COMPANY TO BE CALLED THE TRINIDAD AND TOBAGO OIL COMPANY LIMITED. THE ANNOUNCEMENT STRESSED THAT THE NEW COMPANY WILL ASSUME ALL LABOR AND OTHER

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 PORT O 02044 231730Z

OBLIGATIONS OF THE FORMER OWNERS, AND THAT NO EMPLOYEES

WILL BE LAID OFF.

2. THE PROPERTIES INVOLVED IN THIS TRANSATION INCLUDE A 100,000 BPD CAPACITY REFINERY IN POINT FORTIN, ON- AND OFF-SHORE CONCESSIONS PRODUCING AN AVERAGE OF 25,000 BPD, A CHAIN ON 84 SERVICE STATIONS, AN LPG PLANT AND A LUBOIL PLANT. ACCORDING TO THE GOTT'S EARLIER ANNOUNCEMENTS (REFTELS), THE GOVERNMENT BEGAN NEGOTIATIONS LATE IN 1973 TO ACQUIRE AN EQUITY PARTICIPATION IN SHELL'S HOLDINGS, BUT THE TWO PARTIES COULD NOT COME TO TERMS, RESULTING IN THE GOTT'S UNILATERAL ANNOUNCEMENT THAT IT WOULD BUY OUT THE ENTIRE HOLDINGS.

3. COMMENT: EARLIER, THE GOTT SAID THAT THE COMPANY FORMED TO OPERATE THE SHELL PROPERTIES WOULD BE "AT LEAST" 55 PERCENT GOTT-OWNED. THE AUGUST 22 ANNOUNCEMENT GAVE NO INDICATION OF WHO MIGHT BE THE GOTT'S PARTNER IN THIS COMPANY, IF INDEED THERE IS TO BE ONE. LOCAL SPECULATION HAS CENTERED ON THE POSSIBILITY THAT THE GOTT-OWNED NATIONAL PETROLEUM MARKETING COMPANY MIGHT OPERATE THE SERVICE STATIONS AND THE GOTT-TESORO JOINT VENTURE (TRINIDAD-TESORO PETROLEUM COMPANY) MIGHT OPERATE THE PRODUCING PROPERTIES AND THE REFINERY.  
RICH

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PETROLEUM INDUSTRY, NATIONALIZATION, COMPENSATION  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 23 AUG 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974PORTO02044  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D740234-0203  
**From:** PORT OF SPAIN  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1974/newtext/t19740822/aaaaasuk.tel  
**Line Count:** 84  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION ARA  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** POS 1069; POS 1226  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** golinofr  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 20 JUN 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <20 JUN 2002 by reddocgw>; APPROVED <24 JUN 2002 by golinofr>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** GOTT TO PAY \$45 MILLION FOR SHELL HOLDINGS  
**TAGS:** ENRG, TD, SHELL OIL CO  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005